



Distillate Watch

February 22, 2001

Energy Information Administration
Office of Oil & Gas

SUPPLY

- Higher distillate production and lower demand combined to record a stock build despite a lower distillate import level. Total distillate inventories increased to 117.7 million barrels (MMB) on February 16, 2001, 1.6 MMB above the previous week and 11.8 MMB more than a year ago. Heating oil stocks fell 0.4 MMB to 48.9 MMB, 7.5 MMB higher than last year. East Coast (PADD 1) heating oil inventories fell by 1.0 MMB for the week to 28.3 MMB with drops in the New England and Lower Atlantic regions of 0.6 MMB and 0.5 MMB, respectively. Heating oil stocks in the Central Atlantic at 18.0 MMB rose slightly. Total distillate production pushed higher at 3.7 million barrels per day (MMBD) with heating oil production rising by 0.1 MMBD. Imports at 0.6 MMBD were 0.1 MMBD less than last week. Demand decreased 0.2 MMBD to 3.9 MMBD.

Distillate Production by Petroleum Administration for Defense District (Thousand Barrels per Day)

District	Total Distillate Week Ending					High Sulfur (Greater than 0.05% Sulfur) Week Ending				
	01/26/01	02/02/01	02/09/01	02/16/01	02/18/00	01/26/01	02/02/01	02/09/01	02/16/01	02/18/00
East Coast (PADD I)	492	519	520	505	476	284	270	222	337	329
Midwest (PADD II)	922	886	873	907	783	222	234	208	223	193
Gulf Coast (PADD III)	1,572	1,735	1,657	1,679	1,570	468	590	522	524	531
Rocky Mountain (PADD IV)	135	155	135	147	142	16	35	18	30	26
West Coast (PADD V)	469	412	479	477	421	135	86	139	112	79
U.S. Total	3,590	3,707	3,664	3,715	3,392	1,125	1,215	1,109	1,226	1,158

Distillate Stocks¹ by Petroleum Administration for Defense District (Million Barrels)

District	Total Distillate Week Ending					High Sulfur (Greater than 0.05% Sulfur) Week Ending				
	01/26/01	02/02/01	02/09/01	02/16/01	02/16/00	01/26/01	02/02/01	02/09/01	02/16/01	02/16/00
East Coast (PADD I)	43.6	44.6	45.8	44.2	32.3	28.3	28.3	29.3	28.3	19.3
PADD IX	8.0	7.8	7.8	7.2	4.7	6.0	6.0	6.1	5.5	3.4
PADD IY	25.2	25.2	25.8	25.4	17.3	17.8	17.3	17.9	18.0	11.6
PADD IZ	10.5	11.6	12.2	11.6	10.3	4.5	5.0	5.3	4.8	4.4
Midwest (PADD II)	28.0	28.8	28.6	29.8	29.7	8.3	8.4	8.1	8.4	9.0
Gulf Coast (PADD III)	27.2	26.3	26.4	28.8	27.9	8.8	9.7	9.1	9.3	9.8
Rocky Mountain (PADD IV)	3.3	3.4	3.3	3.4	3.4	0.5	0.5	0.4	0.4	0.5
West Coast (PADD V)	12.3	12.1	12.1	11.5	12.6	2.4	2.3	2.5	2.5	2.8
U.S. Total	114.5	115.3	116.1	117.7	105.9	48.2	49.3	49.3	48.9	41.4

¹ Distillate fuel oil stocks held in the Northeast Heating Oil Reserve are not included. For details, see Appendix D in the *Weekly Petroleum Status Report*.

For information about distillate supply data, contact the National Energy Information Center at (202)586-8800. Internet: Infoctr@eia.doe.gov.
Source: Energy Information Administration, *Weekly Petroleum Status Report (WPSR)*.

PRICES

- Distillate spot and futures prices dropped sharply over the past week, mirroring a similar decline in crude oil prices. Downward revisions in demand forecasts, along with a slow evolution in OPEC sentiment toward further output cuts, left world oil markets drifting downward throughout the period. An attack by U.S. and British warplanes on Iraqi anti-aircraft installations came after markets closed for the Presidents' Day weekend, and had little effect on prices. The New York Harbor spot price for heating oil dropped 6.00 cents for the week to 74.75 cents per gallon, while the Los Angeles CARB diesel fuel spot price fell 6.50 cents to 87.00 cents per gallon.
- The national average retail on-highway diesel fuel price declined for a third week, decreasing by 3.8 cents to 148.0 cents per gallon as of February 19, 2001, 2.4 cents higher than a year ago. Heating oil prices continued to drop over the past week at both the wholesale and retail levels. The average residential price for February 19, 2001 was 147.7 cents per gallon, a 2.2-cent drop from last week's price of 149.9 cents. Compared to last year, the residential heating oil price was up 4.6 cents over the February 21, 2000 price of 143.1 cents per gallon.

No. 2 Distillate Spot Prices by City (Cents per Gallon)

City	Low-Sulfur Distillate					High-Sulfur Distillate				
	01/29/01	02/05/01	02/12/01	02/20/01	02/22/00	01/29/01	02/05/01	02/12/01	02/20/01	02/22/00
New York	81.95	84.18	81.53	76.38	74.88	80.70	83.68	80.75	74.75	75.73
Chicago	89.25	89.80	84.53	81.00	84.01	NA	NA	NA	NA	NA
Houston	87.75	88.05	79.45	77.25	72.61	86.13	87.80	77.15	72.98	71.98
Los Angeles (CARB)	91.00	92.00	93.50	87.00	89.25	NA	NA	NA	NA	NA

Source: Reuters Information Services.

Note: Data for 02/19/01 were not available due to the Presidents' Day holiday.

No. 2 Distillate Retail Prices by Petroleum Administration for Defense District (Cents per Gallon, Including Taxes*)

District	On-Highway Diesel Fuel					Residential Heating Oil				
	01/29/01	02/05/01	02/12/01	02/19/01	02/21/00	01/29/01	02/05/01	02/12/01	02/19/01	02/21/00
East Coast (PADD I)	157.9	155.5	154.4	149.9	152.0	154.6	152.6	151.9	149.8	146.2
PADD IX	164.9	163.3	162.6	160.7	173.9	150.7	148.9	148.3	146.4	139.9
PADD IY	164.3	162.9	161.6	156.9	165.3	158.4	156.0	155.2	152.9	151.9
PADD IZ	154.6	151.6	150.6	145.9	144.3	149.4	149.0	^R 148.4	146.1	136.9
Midwest (PADD II)	152.4	150.2	150.6	146.0	143.9	136.0	135.1	134.5	132.2	117.8
Gulf Coast (PADD III)	150.0	147.2	147.2	142.8	139.3	NA	NA	NA	NA	NA
Rocky Mountain (PADD IV)	153.2	152.7	152.3	151.7	140.9	NA	NA	NA	NA	NA
West Coast (PADD V)	156.2	156.2	156.6	156.7	147.5	NA	NA	NA	NA	NA
California	161.3	161.2	162.6	162.3	154.0	NA	NA	NA	NA	NA
U.S. Average**	153.9	152.0	151.8	148.0	145.6	152.5	150.6	149.9	147.7	143.1

Source: Diesel Fuel prices: Energy Information Administration, Form EIA-888, On-Highway Diesel Price Survey; Residential Heating Oil prices for PADDs I and II: from data supplied by 21 State Energy Offices (SHOPP prices) from October through mid-March.

* Taxes, if any, are not included in residential heating oil prices.

** Residential heating oil average is for PADDs I and II only.

NA = Not Available.

R = Revised.

For information about price data, contact the National Energy Information Center: 202-586-8800; Internet: Infoctr@eia.doe.gov.